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ENERGY COOPERATION AGREEMENT SIGNED WITH USSR

Mexico City EL SOL DE MEXICO in Spanish 16 Jul 81 p 18-A

[Text] Mexico and the Soviet Union will cooperate in training technicians for the exploitation and complete utilization of hydrocarbons.

[Deputy] USSR Minister of the Gas Industry Rantik Margoulon expressed his appreciation of the progress made by Mexico in the gas industry and pointed out the possibility that Mexican technicians might go to the Soviet Union for better training, especially regarding the complete utilization of hydrocarbons.

The official held talks in Mexico with engineer Agustin Straffon, director of the Mexican Petroleum Institute, with whom he discussed subject headings, within the energy area, where there could be better cooperation that would be beneficial to both countries.

The officials also in a special fashion analyzed everything having to do with the exploitation of gas where Mexico, according to the Russian minister, has made great advances.

Although the two governments have not arrived at a specific accord, technicians are already drafting the collaboration program in which it will be necessary to spell out the number of Mexican specialists who might go to the USSR.

The Soviet group which returned to its homeland yesterday also included the head of the foreign trade department with the countries of Central America, Boris Orekhov, who announced the purchase, by his country, of products made with Mexican light tweed.

He thought that these purchases initially would be sufficient for 50,000 pairs of trousers made of this material and that this would strengthen trade between the two countries.

He pointed out that trade must be a means for strengthening bilateral relations between the peoples and he expressed his certainty that the problems in Central America did not seriously affect economic exchange and trade between his country and that part of the continent.

DEAL WITH SWISS TO PRODUCE TURBINE GENERATORS SIGNED

Mexico City EL SOL DE MEXICO in Spanish 16 Jul 81 p 1-B, 4-B

[Article by Fermin Valquez Legaria: "Turbines of 350,000 Kilowatts To Be Manufactured in Mexico"]

[Text] With a joint investment of more than 1.8 billion pesos, NAFINSA [National Finance Corporation] and the Swiss industrial group of Sulzer Brothers, Ltd., yesterday signed a document establishing an enterprise called "Turbinas y Equipos Industriales" which in Mexico will manufacture hydraulic turbines for the CFE (Federal Electricity Commission).

In a short ceremony presided over by NAFINSA president Jorge Espinosa de los Reyes and by Sulzer International director Peter G. Sulzer, it was explained that the turbines would have an output range of up to 350,000 kilowatts, plus other components which would be used in hydroelectric power generation plants and in the manufacturing industry; this means that we will have the production capacity and the technology for manufacturing equipment and components for energy generation, on the basis of unconventional sources, in the future.

The capital stock of this new mixed enterprise was made up with 70 percent from NAFINSA and the rest came from Sulzer Brothers. The Swiss firm will furthermore supply the technology for the development and operation of the factory installation.

The industrial complex will also take care of activities considered to be priority efforts by the Secretariat of Patrimony and Industrial Development. It must also be pointed out the project is a part of the program to be developed by NAFINSA to provide impetus for the production of capital goods in the country.

The turbine factory will become operational in 1983 and with its products will support the electric power generation programs of CFE in accordance with its expansion program. The production of electrical equipment in Mexico is an essential objective in making progress in the national makeup of the electrical industry and to replace imported products involving complex technology; this implies a new change in the country's industrial structure and less dependence on foreign countries for the production of our energy equipment.

It was further pointed out that the enterprise will directly create a total of 620 new jobs in a newly developing industrial zone. It will also produce collateral effects through the opening of job opportunities connected with the suppliers of products and services for that enterprise.

The manpower required for this plant will have to be highly skilled which is why training programs have been planned.

The degree of national makeup of products to be manufactured by this enterprise will be something like 90 percent [illegible in original] of the value of the output, under the terms spelled out by the Secretariat of Patrimony and Industrial Development.

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ENERGY ECONOMICS

MEXICO

PEMEX: FULL EXPORTS TO RESUME IN AUGUST

Meixco City EXCELSIOR in Spanish 15 Jul 81 p 1-A

[Text] Mexican Petroleum General Manager Julio Rodolfo Moctezuma Cid announced yesterday that there has been confirmation along with new applications which, starting in August, will make it possible to restore the export levels that were obtained during the first half of 1981, amounting to about 1 million barrels per day.

Shortly before leaving for Paris, to head the Mexican mission which, on 16 July, will meet in that city with French petroleum authorities, Moctezuma Cid announced that, according to the policy approved by President Lopez Portillo, and by the board of directors of Mexican Petroleum, aimed at making the mechanisms and foreign sales systems of PEMEX [Mexican Petroleum] more flexible, officials from that enterprise held talks with traditional and potential customers.

He said that positive reactions were obtained from the United States, Spain, Canada, Japan, Brazil, France, and the following companies: Shell, Marathon, Union Oil, Arco and Exxon.

Moctezuma Cid announced that he would continue from Paris to Tokyo to analyze, with Japanese petroleum enterprises and with the government of Japan, the possibility of increasing the supply of Mexican crude to that country.

He announced that the process of reviewing the clients and of new contracts is continuing.

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'LA PRENSA' SUPPORTS PARTICIPATION IN SINAI PEACE FORCE

Buenos Aires LA PRENSA in Spanish 28 Jul 81 Sec 2 p 1

[Editorial: "Argentine Contingent in the Sinai"]

[Text] The Military Committee is currently studying the proposal submitted by Egypt's foreign relations minister during his brief visit to Buenos Aires, whereby Argentina, in conjunction with other nations, would send a contingent as part of the Multinational Peacekeeping Force in the Sinai pursuant to the agreement reached among Egypt, Israel and the United States. This token force of no more than 2,500 men would remain in the region only until the Israeli forces leave, in compliance with the Camp David peace treaty.

Having had the opportunity to obtain information in Washington about the forthcoming signing of the agreement and since Argentina was mentioned, among other countries, as a future participant in the Multinational Force, our foreign minister hastened to deny emphatically that such a development could take place, adding that, in any case, our country would act only within the framework of agreements reached in international organizations such as the UN. Two weeks later, he reversed his categorical denial by announcing that if such a request were submitted, it would be put under study. On the day after the Egyptian foreign minister left for Montevideo to pursue the same objectives that had brought him to Buenos Aires, the foreign minister said that the initiative would be "studied objectively." Meanwhile, groups and parties whose hallmark has invariably been their support for the "Third World" and the authoritarian governments in the Middle East, came out against a possible favorable response by Argentine authorities to the Egyptian request.

It was under these circumstances that the Military Committee began looking into the issue, while among authorized circles and well-informed sources the rumor was gaining ground that there was a deep-seated disagreement between the Foreign Ministry and the Military Committee on this question. It is noteworthy that under these circumstances an official news item was released (although not all the papers picked it up) about the signing of a trade treaty (in late August) between our country and Arab nations (no mention as to which ones), under which our trade with them would expand considerably. The emphatic tone of the news item in connection with the negotiations entrusted to a high ranking Foreign Ministry official was inconsistent with its excessive vagueness, the lack of any pertinent background information and the absence of details concerning the countries involved, the volume of trade, the items to be exported or imported and the terms of payment. All of this becomes even stranger when

we bear in mind that the total amount of Argentine trade with the Arab countries up to 1980 has always been modest, if not meager.

But aside from whether this announcement (whose aim is to suggest "how much we would lose by going to the Sinai") is or is not related to the Foreign Ministry's misgivings about or perhaps opposition to the participation of an Argentine contingent in the Multinational Peacekeeping Force in the Sinai, it bears noting that semiofficial sources have been very busy lately highlighting the "drawbacks" of our involvement and stating that at best, even figuring in the "benefits," our compensation would be laughably inconsequential.

It is not hard to guess the origin (ideological and political both here and abroad) of such viewpoints. These are the same people who have so far systematically opposed Argentina's withdrawal from the Group of Nonaligned Countries, which is presided over by Cuban dictator Fidel Castro and which our country joined by decision of the former Peronist government at a time when a number of its most prominent figures were visibly interested in urgently doing business with countries belonging to that group.

Since we have already devoted a great deal of comment to this issue, we will not review once more the reasons why Argentina, in a move to be honest with itself, ought to begin taking the steps to abandon a "Third World" that it does not belong to either by its tradition, by its cultural or educational level or by its degree of economic development.

Argentina's presence in the Sinai in the form of a small contingent of commissioned and noncommissioned officers would be no more than a token contribution to the cause of peace in the Middle East, the first step towards which was the Camp David agreement between Egypt and Israel. Such a decision would not be out of line with the spirit that has guided the words of our UN representatives each time that the issue has been dealt with there. More than a few Arab countries reject the agreement, of course, just as the Soviet Union has so far rejected all of the proposals aimed at achieving peace in Afghanistan. The rejections in both cases have the same roots, are based on the same motives and betray a common strategy whose goals are unmistakable.

This cannot be Argentina's position, because the Camp David agreement basically says that both Egypt and Israel have equal right to exist. This basic idea must be bolstered now, while at the same time we renounce cultivating equivocal stands which have been of no help to us. One of these stands is that a multinational force for the same purposes should be established by UN decision. How are we to interpret this apparent naivete? Doesn't our Foreign Ministry realize that the UN today is an organization where a "mechanical majority" in service to the Soviet Union has already made a decision on the matter that is currently before the Military Committee?

Let's not talk about advantages. Let's talk about Argentina's place in the democratic Western World. This looks like a suitable opportunity to take a clear-cut stand that will put things in their place and end our absurdly mistaken participation in the Group of Nonaligned Countries.

'MULTIPARTY CONVERGENCE' VIEWED WITH SKEPTICISM

Buenos Aires LA PRENSA in Spanish 25 Jul 81 p 12

[Article from "Observer" Column]

[Excerpts] The Fog Grows Thicker

We can see a reflection of this hazy apathy in the movement that has come to be called the "multiparty convergence," which some people are comparing with the Hour of the People that was formed in 1970. From the beginning the Hour of the People took the shape of a civilian protest against the military authorities who since 1966 had been plunging Argentina into the chaos that enabled subversion to thrive, especially at the local level.

The ultimate consequences of the Hour of the People are well-known, but it did not emerge to precipitate these consequences. It arose, rather, in response to 4 years of a military government whose main episodes included the kidnaping and murder of General Aramburu, which have not yet been cleared up even though the authorities who took over in 1976 could have undertaken a thorough and exhaustive investigation of the incident.

The "multiparty convergence" is similar to the former movement in that it has taken shape around the two supposedly largest political forces, to which others have allied themselves while yet others are still no doubt waiting on line in front of its door, with honorable exceptions. The similarity ends there. According to the statements by Bittel the notary, who heads up the Peronist group in the "multiparty convergence," it declined, for example, to take a clear stand on the recent labor "protest rally." In turn, and according to the same statements, the "convergence" intends to meet with the president of the Argentine episcopate to convey to him its solidarity with the document that the episcopate released a short time ago. At the same time, the head of the UCR [Radical Civic Union], Dr Balbin, who shares the leadership of the group with Bittel, asserted that the call for a convergence is also addressed to the Church and to the Armed Forces because "this is a nationwide cause that seeks a solution for the country."

What stands out among all these statements, which when all is said and done are so much like General Harguindeguy's? A calculated bid to please both sides or self-doubts about the hypothetical backing that the convergence would have to develop on the streets?

When the convergence debated the advantages and disadvantages of backing the "protest rally," the latter apparently carried greater weight, because if it had supported the unsuccessful protest, it would have gotten, if not burnt, at least singed. The "rally" was a specific, concrete incident, whereas a call for "a nationwide cause that seeks a solution for the country" is almost tantamount at present to proposing a full-fledged National Constitutional Assembly, which is impossible. When all is said and done, setting unreachable goals is a way of disguising apathy or a maneuver to gain time.

Peronism Amid Indecision

We should also consider the very odd situation in which Peronism finds itself for the first time in its history. We knew, of course, that Peron's death (All men are mortal; Peron is a man; therefore, Peron is mortal) would cause upheavals in the movement that he created. The most obvious one, for the time being, is the fragmentation of the labor movement, which a simple tape recording perhaps could have prevented. But other effects have probably not yet made themselves felt, for example, the ones that could arise depending on what his widow decides to do, aside from buying clothes and going to the hairdresser's or the beach. Her recent words of support for Admiral Massera in Madrid, along with his arrest, the ban on a rehearing for her and the announcements that have begun to be published in her defense, could well lend a new twist to the issue. If "Isabel" comes out decisively in favor of the former member of the military triumvirate, won't Bittel suffer a sharp "loss of leadership" that could leave the convergence with only one head?

Time will tell. Unexpected developments always take place. In Managua, the gangster Firmenich has just voiced his support for the convergence and, at the same time, for "Isabel." However, being a perceptive man, he rejected any role for "The Sorcerer."

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FAILURE OF CGT STRIKE ANALYZED

Buenos Aires LA NACION in Spanish 27 Jul 81 p 6

[Text] After the Failure

The circumstances before and after the protest rally that the CGT [General Labor Confederation] ordered for last Wednesday enable us to advance the hypothesis that its leaders were fairly certain that it would fail or at least acknowledged the possibility. What they surely did not anticipate, however, was the extent of the workers' negative response, the almost total rejection of the militant maneuver, because support for the strike was scant, as simple observation indicated. The lack of backing was, in other words, much greater than anticipated.

The men of the CGT could not have been unaware of two widely known facts that threatened to explode any optimistic appraisal of the outcome of the gamble that they decided to take. In the first place, they were well aware of the government's decision to unwaveringly enforce the legislation prohibiting both workers and employers from undertaking direct action movements. Secondly, they must have perceived society's indifference to the work stoppage, inasmuch as there were no indications that the public was in the mood to back their desire to shut the country down for 24 hours.

We should then ask why in light of these prospects, which indicated clearly what was going to happen, they did not change their minds. It is not easy to come up with an answer, but one of the reasons why they went ahead with it against all odds is probably to be found in the quarrels in which the leaders of the CGT and the Interunion Commission are immersed, inasmuch as the latter group's heads felt that the strike was a mistake and, therefore, should not be supported.

As confirmation of this we have the communique that the so-called "hard-line" faction released on behalf of the Board of Directors of the CGT a few hours after the arrest of Ubaldini and other labor leaders. The communique says that the leaders of the Intersector Commission "urged the workers not to join the strike and while making promises are trying to deceive them with a dialogue of deaf people to arrive at a social truce that ignores basic social rights." However, the Intersector Commission asked the president of the republic to release the members of the CGT Secretariat who were being held under arrest, albeit briefly.

With the Secretariat under arrest, the battle for power in the CGT had begun. Lorenzo Miguel's "friends" mobilized swiftly to prevent the "hardliners" from taking over the group. They were soon successful, because representatives one and two on the Board of Directors, pursuant to the bylaws, took charge of the organization. Then, Luis Pecora from the construction union and Marcos Alvarez from the private oilmen's union made contact with Lorenzo Miguel and immediately gave shape to his authority by speaking over the phone with the men from the Intersector Commission who had been criticized by the document signed by the "hardliners," to clarify the situation and downplay the rebuff.

A Difficult Truce

As the days go by, a "social peace" seems like a distant point on the horizon; in other words, it does not seem as if sufficient backing can be developed to make it a sure thing. The Argentine Industrial Union, through its president, is not showing any enthusiasm for an agreement like the one that the Intersector Commission is proposing. "Our union," he pointed out, "cannot agree to a settlement that goes beyond sector interests, because the labor union problem is a specific problem of sectors." We can gather from these comments that the Argentine Industrial Union is not willing to reach agreements as an institution; rather, it wants the chambers to reach accords with the respective labor sectors.

In any case, the representatives of the Argentine Industrial Union and the Intersector Commission will meet tomorrow with the minister and undersecretary of labor. It will be the first time since March 1976 that businessmen and labor leaders sit down at the same table in a government office. The topic, of course, will be the pause. We must not infer from this that a definitive pronouncement on the thorny issue, whether for or against, will be forthcoming, and thus it is advisable not to fuel expectations. But they will unquestionably acknowledge the widespread desire to hold a permanent dialogue as a suitable path towards a gradual understanding among the parties to the issue.

The situation has become undisguisably worrisome to the Intersector Commission, because it has obviously made a major effort to reach an agreement with business to prevent further worker dismissals and layoffs. It was for this reason that it came out against the work stoppage promoted by the CGT.

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FIRMENICH ON PERONISM, CURRENT POLITICAL SITUATION

Managua EL NUEVO DIARIO in Spanish 23 Jul 81 pp 3B-4B

[Interview with Mario Firmenich, secretary general of the Montonero Peronist Movement, by newsmen from EL NUEVO DIARIO and other local media; date and place not specified]

[Text] Question: Do you support the upcoming work stoppage announced by the CGT [General Labor Confederation]?

Firmenich: We support the CGT, which represents the most consistent line within the Argentine labor movement. The nationwide work stoppage is another landmark in the struggle of our working class. We urge all workers, independently of ideological differences or potential criticism of CGT leaders, to give a united show of strength against the military dictatorship.

Question: Is there is a chance for a constructive resolution of wage demands amid the current economic crisis?

Firmenich: The crisis is a crisis of the system. We all know that Argentina has immense resources in proportion to the number of its inhabitants. The dictatorship will not, however, offer any solution, simply because the political and economic power of the monopoly, dependent capitalist system is held by the oligarchy-imperialist alliance.

Question: When do you think union activity will resume?

Firmenich: The trend in the balance of power began to reverse in 1979, when a grass roots counteroffensive started. This can be seen in the reorganization of the CGT, in the organization of the "Mothers of May Square," in the massive rallies by young people and in the opposition rallies by vast segments of national businessmen, with whom we feel we have to form an Anti-Oligarchy and Anti-Imperialist Liberation Front as the only solution for our homeland.

Question: When you speak of a counteroffensive, some people tend to think of a politico-military operation like the final Sandinist offensive...

Firmenich: Well, that's what happens when people think in blanket terms. I said right here in Managua shortly after Somoza's fall that it would be incorrect to copy the Sandinist model, just as the "Cuban model" was copied at one time. We have gained enough experience in our peoples' struggles to be able to distinguish between essential and circumstantial aspects. There is no reason why a "counteroffensive" by the Argentine people has to be the same as the "final offensive" by the people of Nicaragua. In fact, I would say that it has to be different. It's a different country with a different history. What I mean by counteroffensive is a definitive change in the way the balance of power is developing. In a country like Argentina, such a counteroffensive consists basically of a union mobilization to take over the streets for the organized working class.

This is in keeping with our country's history. This is in keeping with 17 October 1945 (when Peronism was established), in other words, the "Cordobazo," the "Rodrigazo." And it also is in keeping with the formation of a front that includes vast segments of domestic businessmen, who have no chance to survive under the prevailing oligarchy-dominated system. During this era of crisis for world capitalism, when the Chicago School is advocating a brutal concentration of capital (brutal even in its methods), oligarchic-imperialist capital cannot permit competition and truly national private, not monopoly ownership in key sectors of the economy...much less State ownership.

This approach leads to the economic destruction of the State and of domestic business. Therefore, in order to eventually become an offensive, which is something else, the grass roots counteroffensive needs a strong, organized alliance among the working class, the grass roots movement and national business against the oligarchic-imperialist alliance.

The alliance did not have to be established for the counteroffensive to begin. In fact, it was not possible. Only the working class could begin to challenge the power of the oligarchy, and that's what happened in 1979.

By 1980, wideranging segments of domestic business were forced to join this movement of struggle, and we now think that we are on the way to establishing this liberation front, which is not going to be anything new in our country either and which once formed will become a sort of tombstone for the oligarchic-imperialist dictatorship.

Question: How does Mrs Isabel Peron's release affect the notion of a united Peronism?

Firmenich: The release of Mrs Peron is a victory of the people, in the sense that this dictatorship (and the system of justice imposed by it, whereby the Supreme Court justices took their oath before the members of the Junta of Commanders in Chief) has neither the legal, political nor moral authority to judge anyone.

I had already pointed out that the real traitors to our country, the real subverters of the constitutional order and the real plunderers of our wealth were the people who kept Mrs Peron under arrest.

The release of Mrs Maria Estela Martinez de Peron, without a political consolidation of the dictatorship, stemmed from its need "to get problems off its back," and in this sense it is a step backwards caused by the gains of the grass roots mobilization. Similarly, they are releasing a lot of other comrades under the bizarre system they call "parole." This shows that they no longer have the power to do whatever they feel like doing.

In this regard, some leaders have said that this was an act of justice. That's not true. The dictatorship has less and less power to commit its acts of injustice, which is not the same thing.

Regarding Mrs Maria Estela Martinez de Peron's future course of conduct, I cannot say anything for sure. I do not know what she plans to do.

With regard to the reunification of Peronism, for several years now we have had a public proposal based on the following elements:

- Criticism and self-criticism
- Updating of doctrine
- Bringing in the new generation

As far as self-criticism is concerned, the Peronists do not have to engage in any self-criticism to the military but rather to the masses that gave rise to the Peronist government. It is, therefore, an internal matter for the mass movement called Peronism. Reunification also entails the democratization of the movement. Furthermore, General Peron asserted that his only heir was the people. Hence, we do not believe in hereditary leaderships...they do not exist. The roots of a leader's political power are not to be found in divine right, as with hereditary monarchies; they are to be found in the political will of the masses, which grant leadership...In any case, Peronism is without a leader, and only the masses can decide on this, if in fact they decide on a person, which they will do through a democratic expression of their will. Regardless of who the majority representative, democratically chosen by the Peronist masses, is, we will recognize that person as the number one representative of the Peronist people.

Question: Can you give us an advance indication of what kind of issues self-criticism will address?

Firmenich: Well, I do not want to get ahead of the internal debate that we are proposing, but I could cite, for example, what we consider distortions of the Peronist program, which is set forth in the platform guidelines of the Peronist National Liberation Front. That was the platform that the people voted for on 11 March and then again on 23 September. We are criticizing ourselves before the masses, of course. We have to concede that so far we have been unable to take and keep power. The Argentine people have clawed their way to power, as in 1973, but the leadership structure of Peronism was

unable to correctly cope with the situation and guarantee definitive power... I must thus reassert the conclusion that we have to root out the country's oligarchy so that our people can be liberated.

I also think that we have to thoroughly purge the Armed Forces to root out all of the vestiges of oligarchic representation. Both the troops and the noncommissioned officers are the people itself. The officers have always included the sons of the oligarchy, who as major generals wind up utilizing the Armed Forces to serve minority and outside interests.

Question: What kind of reception have you gotten from the other forces that are not Peronist and not committed to the dictatorship?

Firmenich: There is almost a consensus that all of these forces have to be united, because none of them, by itself, can resolve the current situation. This awareness of the need for unity is complemented by the awareness of the need to define the future model for our country, so that we do not move, as in the past, from a military dictatorship to a proscriptive or conditioned civilian government that merely alters the method of administering an oligarchic country...That is not a solution.

A revolution is needed because there is a crisis of the system, and therefore the forces that will benefit from the revolution, which make up more than 80 percent of the Argentine population, have to design, by common agreement, the pillars of the new socioeconomic model, which must govern Argentine life for at least the next 30 or 40 years.

We cannot conceal the fact that there have been segments of society, especially among the middle strata, that closed their eyes to the facts during the first few years. But the brutal and cruel incidents that have come to dominate the political scene have jolted many people. No one can be unaware of the thousands of missing persons, of the \$35 billion foreign debt that is a robbery from our country; no one can be unaware of the domestic debts that business has run up, the unemployment. In a nutshell, all of the eyesores that the oligarchic regime has left us are impossible to cover up at present. Hence, the people who initially did not feel affected or who refused to face the facts have now become aware and have begun to mobilize in defense of their own interests, which is forcing their political representatives to adopt more consistent positions.

Question: But could you be more specific about the plans to reunify Peronism?

Firmenich: I can't say anything about plans. I can say, however, that when we talk about the complete reunification of Peronism, we exclude only the infiltration that the movement underwent in the form of the lodge or gang that Mr Lopez Rega headed up. Everything else, of course, is part of this political proposal. Only those who betray the combative determination of today's Peronist masses will be excluded...

Question: And what about Mrs Peron's statement that she was "betrayed" by Lopez Rega? Could that facilitate a pact?

Firmenich: Isabel's statements about Lopez Rega are, of course, very constructive.

Question: Did they surprise you or did you expect them?

Firmenich: We expected them.

Question: In the past, public opinion got used to the image of the Montoneros as an armed organization. It was your showy, shrill hallmark. Now, in contrast, your political remarks stress political, grievance-oriented action...

Firmenich: I should clarify that shrillness (in the sense of a spreading wave too) inevitably makes some actions more widely known than others. Our entire political history has forced us, however, to undergo very dissimilar political moments and to develop the idea, which we did long ago, that all methods of struggle are necessary to achieve power for the people...We have never made a fetish out of methods. We have never enthroned one method of action as an ideological category.

At the moment I feel that the main thing, the basic thing is for the people to take over the streets, because in so doing it can set up the organized alliance of a National and Social Liberation Front. I have also said publicly that if the dictatorship understood its actual position and, therefore, withdrew from power, it would save the nation a great deal of suffering. Otherwise, the only path will be massive rebellion by the people, calling on all their methods of struggle and all their traditions of struggle...

Question: But are there any indications whatsoever that the current authorities are likely to resign?

Firmenich: The current authorities obviously have no intention of leaving, not even the slightest intention...

Question: And there are no disagreements among the generals on this?

Firmenich: There are, but I do not think that any one of these approaches will be the people's salvation. The sole realistic prospect is that only the people will save the people. The internal disagreements reflect various things, but the main thing they reflect is the dictatorship's failure and political defeat, because it has been left without a plan, which forces them to draw up a new plan as they go along. This is not easy, and in fact I think it's impossible.

Apart from this, all of the factions of the Argentine bourgeoisie are represented among the officers of the Armed Forces. At the start of this dictatorship business as a whole remained united behind the oligarchy, and hence the Armed Forces remained united behind the false rallying cries it voiced, such as "eliminating corruption, the rebellion and subversion." As small and intermediate businessmen gradually realize that they too are victims of the process of national destruction, then their sons, brothers and cousins,

who are Armed Forces officers and act in response to their own interests, will also begin to voice their discontent. Moreover, there are also those officers who are most directly involved with the regime's crimes, the tortures, kidnapings and murders. They are afraid that any political change will lead them towards what they regard as a "leap into the void," which to them means an assault on power by the people.

At that point we will need trials, as happened with the Nazi criminals at the close of World War II. The specter of Nuremberg haunts every military office and terrifies the ones who are most deeply involved with the crimes.

Question: And is this a major development?

Firmenich: It is, of course, important when a military officer who is a member of the domestic employers class takes a consistent stand in defense of national interests and of his own social interests. It is important when an officer who has not been directly involved in crimes realizes that there is no reason why he should take responsibility for the people who planned and committed them. It is also important because from a military standpoint this approach is front-oriented.

Question: Does it include the Radical Civic Union of the People?

Firmenich: In my judgment, of course it does. I naturally disagree with the stands that Dr Balbin has upheld in supporting the dictatorship and justifying the disappearances, because of which he was denounced by the mothers in May Square. But Radicalism is more than Dr Balbin. It represents wideranging social strata of the Argentine people, members of the middle class, and a great many of their leaders are aware of the current situation and realize that a "Peronist/anti-Peronist" division that isolates them from the movement of the masses makes no sense. A national solution requires the involvement of both Peronism and Radicalism.

Question: Doesn't the dictatorship have any possibilities for an alliance?

Firmenich: They are looking for various ways out, but I sincerely believe that from their viewpoint there aren't any. This is not an exercise in alchemy or chess combinations. We are dealing with the historical development of our social fabric.

The liberal capitalist system of the oligarchy is in the midst of an insurmountable crisis. The fact that they might hatch this or that political scheme is not going to cover up these basic facts: farm production has been stagnant for the last 40 years and industrial output is the same today as in 1972... (you have to realize what it means in today's world for a country to lose 9 years in developing its industrial output.) The 30,000 missing persons and the crimes that have been committed admit no solution, and therefore the "political alchemy," a dialogue with this or that leader is not going to resolve anything.

The grass roots of Argentine society have said "enough!" to this government. They are no longer terrified and have begun to organize and mobilize against the government. The government has no alternative. If they hold elections, they will lose by a landslide; and if they do not hold them, they will be crushed by the people's rebellion; and if they crack down on the people's rebellion, then the rebellion will be more violent. In other words, no matter what they think up, they are going to lose, because they are already defeated politically. This is the problem.

Question: And how does the complicated international picture for Argentina affect all this?

Firmenich: Faced with the union of reactionary forces in the Southern Cone, we, along with other political forces, have voiced the need to move towards grass roots unity in the area. I am talking about grass roots movements that represent millions of people to undertake a historic process of counter-Balkanization...I include the Beagle conflict in this, because there is no solution to it either under these dictatorships. In order for problems of national sovereignty to be resolved, the people must have sovereignty over the nation. Since these dictatorships are essentially subservient and traitorous, they are not concerned about defending national sovereignty...They exist by trampling on it...How are they going to defend national sovereignty in terms of territory when they don't respect national sovereignty in terms of credits or loans?

The Argentine dictatorship is in the worst position in this case, of course, because the Queen of England's arbitration ruling went against Argentina, and I am not familiar with the pope's position, but from the reactions it seems as if it was not in line either with the Argentine military's proposals, which I am unfamiliar with as well, in this mediation.

We publicly called for papal mediation before it was arranged, and I would like to take this opportunity to thank him for it because it prevented war between two sister nations.

Our approach to the matter is that there must be a joint, multilateral and simultaneous solution to all of the problems plaguing the region, such as the southern borders, the Antarctic, the deep-water ports, the integration of the two oceans, Bolivia's outlet to the sea, the River Plate Basin. These problems must be resolved jointly, simultaneously and multilaterally.

Apart from this, in their meetings with Figueredo, both Viola and Videla have sought coordinated action by the two nations to impose a reordering of economic spaces in the region, which would affect Bolivia, Peru, Paraguay, Uruguay and Chile. The problem is that Viola today has less power than Videla had, and thus Brazil's hegemony is more obvious today than a year ago. So much so that the current Argentine foreign minister was practically appointed by Itamarati. There are Itamarati spokesmen who boast of having two foreign ministers...one in Brazil and another in Argentina.

Of course the same factors that have led to greater Brazilian hegemony will also cause the pact to be torn to shreds, inasmuch as the weakness of the Argentine dictatorship will lead to its disappearance and, hence, to the disappearance of the commitments that it made and that are damaging to our nation.

With regard to the United States, the Argentine oligarchy has not succeeded in becoming part of the international division of labor that was established after the Second World War. What the Argentine oligarchy produces competes with American exports. Our climates and soils are similar, and we have similar farm exports. The coordination between Argentina and Great Britain never worked between Argentina and the United States, and it will never be able to either. This has led the Argentine military to develop the country's trade with the USSR without even realizing themselves why this is happening.

Viola then engaged in an "ideological embrace" with Reagan, but in his fantasy he overlooked the facts, both in terms of the real power in the United States and the real capacity of the Argentine economy. Since these two factors are decisive, of course, above and beyond reactionary political affinities, Viola, in speaking to Figuereido shortly thereafter, had to contradict what he had told Reagan.

Question: You monitored the Nicaraguan revolutionary process closely. What is your assessment of it now that it has celebrated its second anniversary?

Firmenich: To many people in Latin America revolution had become impossible, and to many people as well a revolution meant a mechanical repetition of the Cuban Revolution. The revolution in Nicaragua has shown that revolution is still possible in Latin America because it is necessary and it has also shown that each revolution will be different in each country.

We have had the privilege of witnessing this process from its early days and we can see that this revolution had made enormous progress. Comparing it to 1980, we can say that we saw more people in this celebration than last year's, more involvement of the masses in the rallying cries and better organization. The revolution is moving forward with a firm step, and this naturally causes problems. If you don't do anything, you don't have problems. If you undertake a revolution, you create enormous problems, but when you are aware of the problems and have the determination to resolve them by mass democracy, then you also have an open door to resolving them.

We have also seen the capacity for self-criticism in bringing problems before the masses. We do not have any doubt that these problems are going to be resolved by the masses...Other problems will arise, and thus history continues on....

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CSO: 3010/1637

VIOLA'S POLITICAL APPROACH VIS-A-VIS VIDELA ANALYZED

Buenos Aires MERCADO in Spanish 23 Jul 81 pp 4, 6

[Text] As we move through the month of July, which has generally been calmer than June, and as the Viola administration completes 4 months in office, observers are pointing out that the transition from General Videla to General Viola was difficult and stormy, not only because of the economic problems that it ultimately brought and the length of the period but also because Viola is not just a "different" president but a "different kind" of president. There are those who divide our presidents in recent decades into three basic categories. The first is the category of political presidents, meaning the heads of parties who got to be president and whose hallmark was coming out every day to do battle and to engage in public debate in the search for leadership and a popular consensus. Peron and Frondizi would be examples of this category. The second category includes the presidents whom we would fundamentally describe as "chiefs of state," "protocol" presidents who instead of placing themselves at the head of a party to engage the other, the opposition in controversy, tried to place themselves above parties by securing the universal respect of their fellow citizens, albeit not developing a specifically political leadership beyond this. Onganía and Videla were in this category. The third group encompasses presidents who rather than heads of parties or chiefs of state, tried to be heads of government and were characterized by silent work in their offices without the oratorical impact of party heads or the almost monarchical majesty of chiefs of state. These imageless presidents have been treated more kindly by history than by their contemporaries, however, when their periods are compared with others or when it has come out what role they played in processes that were little known precisely because of the nature of their presidency. José María Guido or Humberto Illia would come to mind, for example, as well as General Viola. It would be a mistake "to prefer" one category over another. There are more or less successful presidents in each category. It would also be a mistake to think that one category offers more chances for success than another. Success depends not so much on the type of president in office as on the degree of effectiveness he achieves and, above all, on the extent to which the sitting president is in tune with circumstances. Circumstances might demand a politician, a "king" or a silent worker, as the case may be. The fact that a person is one of these things "a priori" tells us nothing about his possibilities of success until we are familiar with his individual effectiveness and the circumstances surrounding him. Observers are pointing out in this regard that the circumstances surrounding the "silent presidency" of General Viola (a silence that has been broken in recent days, but this is an exception) have improved

substantially during July. The factors that jolted his presidency the hardest in June, the peak month of citizen restlessness, that is to say, the dollar and the rumor mill, gradually toned down as July reached its midpoint. The government's ability to balance out the foreign sector somewhat with its successive devaluations and its demonstration that it would not ultimately be swamped by an unstoppable wave of currency speculation, gave the public the feeling that things were beginning to get under control. Moreover, the magnitude of the rumors also began to shrink once the stories about Viola's removal were shown to be inconsistent and were "scaled down" to anticipated resignations in the economic team. Some people feel that the president is gradually weathering his administration's initial storm thanks to his custom of not fanning the flames of a brightly burning fire and of waiting on the passage of time. In short, once people saw that doom was not impending, rational political thought once again began to prevail, in the sense that there were no reasonable alternatives to the current situation. It is not that the situation is without problems. There are problems and they are serious, grave. But none of them seems critical, just as none of them can be corrected in less than several months. Waiting thus seems to be a possible and recommendable strategy, and Viola is beginning to look like a president whose "silent" (certainly not the most brilliant) style might, however, be better suited to a country in an economic and political transition from a model that was in force for 5 years to another that is barely visible on the horizon. "Time is ultimately in Viola's favor." This was how an observer concluded his analysis. To the extent that it can make it through the next few months, the "silent president's" transition model will come to be implicitly accepted by Argentines.

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BIOGRAPHIES OF ANTICIPATED MILITARY HIGH COMMAND MEMBERS

Rio de Janeiro MANCHETE in Portuguese 1 Aug 81 pp 46, 47

[Text] With the death of Gen Milton Tavares de Souza and the compulsory retirement of Generals Jose Ferraz da Rocha (chief of the EMFA [Armed Forces General Staff]), Ruy de Paula Couto (chief of the General Services Department), Florimar Campello (4th Army commandant) and Gentil Marcondes Filho (1st Army commandant), President Figueiredo will replace half of the High Command in July, the most thorough rotation in military leadership ever made at one time.

In order of seniority, Major Generals Henrique Beckmann Filho (2d Army interim commandant), Enio Gouvea dos Santos (1st Military Region commandant), Sergio Ary Pires (Army Ministry chief of cabinet), Alzir Benjamin Chaloub (deputy chief of the Training and Research Department) and Mario de Mello Matos (deputy chief of the Army General Staff) should be promoted to four-star general.

Generals Helio Joao Gomes Fernandes and Joffre Sampaio, who would have been third and fourth on this list, reached compulsory retirement in April and thus were not on the promotion list.

Two more generals of the army will face compulsory retirement in November: Alvarenga Navarro (chief of the Training and Research Department) and Benedicto Maia Pinto de Almeida (chief of the Ordnance Department). It will then be the turn of Gen Euclides de Figueiredo Filho, the president's brother and current commandant of the 1st Army Division, of Vila Militar, to be promoted to four-star rank.

As of July General Euclides may become interim commandant of the 1st Army, replacing Gen Gentil Marcondes. Although still a major general, he could remain interim commandant until receiving his fourth star in November. There are the precedents of Generals Silvio Frota and Reynaldo Melo de Almeida who, as major generals, commanded the 1st Army while awaiting promotion to a fourth star.

Gen Henrique Beckmann Filho, first cousin of former President Geisel, should take over the 2d Army. Gen Tulio Chagas Nogueira should continue with command of the 3d Army and Gen Enio Gouvea dos Santos is likely to be named to head the 4th Army.

Gen Antonio Ferreira Marques will depart as Army chief of staff, where he will be replaced by Gen Sergio Ary Pires, and will replace Gen Jose Ferraz da Rocha as chief of the Armed Forces General Staff.

Henrique Beckmann Filho

His German ancestry and command of the German language led to his being appointed interpreter for FRG President Heinrich Luebke during the latter's visit to Rio Grande do Sul in May 1964 and to his taking a General Staff course in the FRG. He will be 65 on 12 November. He was promoted to brigadier general on 25 November 1972 and to major general 5 years later. He may remain in the Army High Command until November 1984. He has two daughters. He is from the Artillery. He took a course in Brazilian Studies at the University of Brasilia and has a certificate of professional qualification in administrative technique. With the death of Gen Milton Tavares de Souza and as commandant of the 2d Army Division, he assumed interim command of the 2d Army, headquartered in Sao Paulo, where he will probably remain.

Enio Gouvea dos Santos

He currently commands the 1st Military Region, headquartered in Rio de Janeiro. Belongs to the Cavalry and is a personal friend of President Figueiredo. Received merit promotions to major, lieutenant colonel and colonel. Became a general on 30 March 1973, and can remain until the same date in 1985. Has a son and two daughters. Was an instructor at the ESAO [Officer Training School] and the ECEME [Army Command and General Staff School]. Headed the Brazilian Military Instruction Mission in Paraguay. Commanded the 3d Mechanized Cavalry Brigade and the 4th Infantry Brigade. He took the university-level course at the War College. His name is second on the list for promotion to a fourth star. Only Gen Henrique Beckmann Filho is ahead of him.

Sergio Ary Pires

An Artillery veteran, 63 years old in August, is now cabinet chief for the Army Ministry. Promoted to major, lieutenant colonel and colonel on merit, he became a general on 31 March 1973, which he may remain until 31 March 1985. Has three daughters; is a tennis enthusiast who practices assiduously at the Brasilia Tennis Academy. As director of special affairs, physical education and sports, he organized the Army Olympics. Commanded the 2d Infantry Brigade and the 10th Military Region. It is reported that he will be Army chief of staff, the second most important post in the military hierarchy.

Alzir Benjamin Chaloub

Another Artillery veteran, now deputy chief of the Training and Research Department, he was an instructor at the Army Command and General Staff School. Father of two sons, he reached the age of 62 on 9 July. Became brigadier general on 31 March 1973 and major general on 31 March 1978. Was cabinet chief for the EMFA. Commanded the Coast Artillery of the 1st Military Region, the Army Command and General Staff School and the 3d Military Region. Was director of Training and Advancement for the Army.

Mario de Melo Mattos

An Artillery officer, 62, he became a general on 25 November 1973. Since then he has been successively commandant of the 3d Army Division, chief of staff for the 4th Army, headquartered in Recife, deputy chief of staff on the EMFA, commandant of the

3d Army Division and, now, deputy Army chief of staff. On the eve of his promotion to a fourth star he took a vacation and made a trip to Europe.



Henrique Beckman Filho



Enio Gouvea dos Santos

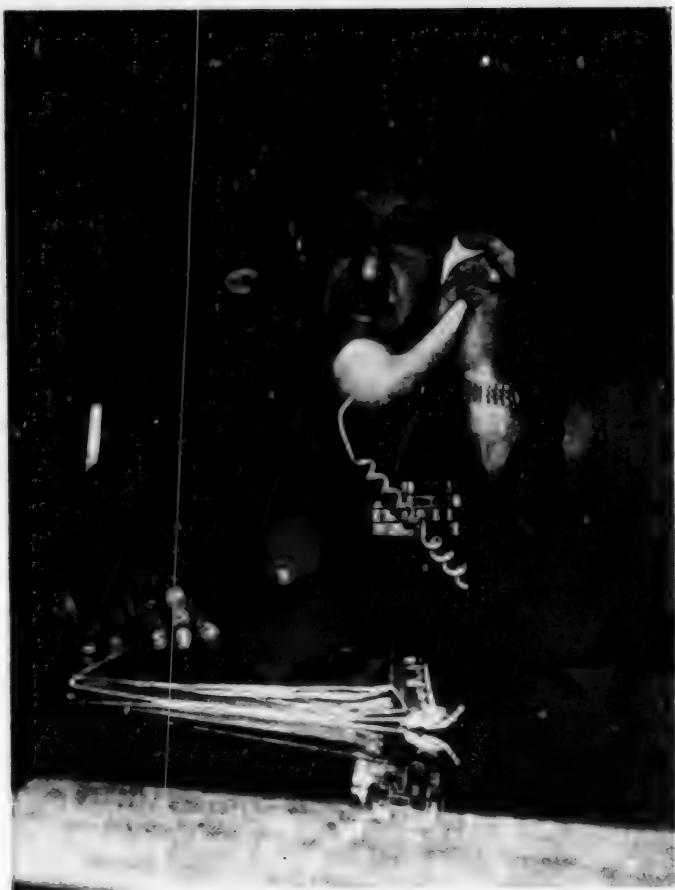


Sergio Ary Pires

Alzir Benjamin Chaloub [upper right]
Mario de Melo Mattos [lower right]

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OPPOSITION PARTIES ISSUE DOCUMENT, REJECT MERGER PROPOSAL

Rio de Janeiro JORNAL DO BRASIL in Portuguese 16 Jul 81 p 4

[Text] Sao Paulo--Unified action by the opposition parties on 10 points was decided upon yesterday during the 3-and-1/2-hour meeting of chairmen and national leaders of the PMDB [Brazilian Democratic Mobilization Party], PP [Popular Party], PT [Workers Party] and PTB [Brazilian Labor Party], held in the OAB-SP [Brazilian Bar Association --Sao Paulo].

The note, released at the end of the meeting, referred to simply as a "declaration," makes no reference anywhere to merger, unification of the opposition or calling a national constituent assembly. In their note, the opposition leaders term the government incapable of getting the nation out of its present economic crisis and promise to hold more meetings to work out a plan of common action.

The Note

The note is as follows:

"The economic and social situation of Brazil is reaching a degree of seriousness without precedent in our history. The rate of inflation never increased so rapidly, the foreign debt was never so huge and the levels of unemployment never plagued so severely the workers and wage-earners who constitute the majority of the people.

"The government has shown itself incapable of taking objective measures to remove the nation from economic depression. Furthermore, it has shown itself to be impotent--as can be seen by the Riocentro episode and by indecision about electoral laws--to resolve the political impasse. Preoccupied as it is with retaining power without legitimate support from society, it is not in a position to conduct the nation's democratization.

"In view of such a situation, the opposition parties, meeting for the first time in Sao Paulo, express their intention to act jointly to assure participation by the people in steering the process of democratization. Their concern is not only to combat the 'electoral casuistry' which the nation has rejected, but also to establish prospects for a stable democratic regime, under the rule of a constitution emanating directly and freely from the will of the people, capable of meeting the demands of society.

"Hence, the opposition parties address themselves to the nation to propose the conscious and effective unity of all in support of the following objectives:

"--Direct elections at all levels and reestablishment of congressional prerogatives;

"--Genuinely democratic electoral legislation that respects the organizational and functional freedom of representative parties from all currents of political thinking; elimination of the antidemocratic devices that restrict the eligibility of citizens;

"--Repeal of the current National Security Law, Press Law and other instruments of arbitrary power, deactivating the agencies of political repression;

"--Extension of the right to vote to illiterates;

"--Assurance of labor-union organization free from government control;

"--Guarantee of full exercise of the right to strike;

"--For an employment policy that responds to the needs of all wage-earning sectors of society;

"--For a policy of equitable income distribution;

"--For an economic policy that eliminates the privileges granted to large-scale companies, multinational firms and financial capital, for the purpose of strengthening the domestic market;

"--Democratization of the judicial system to make it accessible to the citizens, especially those of low income, as well as efficient, swift and sure in dispensing justice.

"With these objectives in mind, the opposition parties express their intention to pursue, in other meetings, preparation of a plan of common action and, if necessary, to promote their complete unity of action, for the purpose of assuring their presence, as a legitimate and essential participant, in the nation's process of democratization.

"Sao Paulo, 15 July 1981
PMDB, PP, PT and PTB."

'Unity of Action' Rather Than Merger

Sao Paulo--The proposition of merger of the opposition parties was practically buried yesterday at the meeting held by national leaders of the PMDB, PP, PT and PTB at the OAB-SP headquarters. It was decided that the opposition might adopt it later, but everything will depend upon the casuistries of electoral reform.

Differences

After meetings they had held the night before, the PMDB and PP arrived at yesterday's meeting assuming that the final document would make explicit reference to the possibility of merger. They had the solid support of the national PTB chairman, Deputy

Ivete Vargas, who felt the document must deal only with merger, and with the greatest possible emphasis.

Senator Teotonio Vilela (PMDB--Alagoas) and Deputy Roberto Cardoso Alves (PMDB--Sao Paulo) vigorously advocated merger. The senator insisted upon pro tempore merger, to be retained until the 1982 elections, and the deputy advocated general and definitive merger.

However, the PP, PMDB and PTB representatives ran into the firm opposition of Lula and other PT representatives, who were willing to consider merger only as a last resort and in a way that made the proposition virtually unworkable. The PT would not consider giving up its identity as a political party with a platform of its own.

According to one of the participants at the meeting, Senator Tancredo Neves, PP chairman, "made the greatest effort to include the term 'unity of action' in the final document, and that was the most he could manage."

The meeting had moments of bitter exchange, when Deputy Cardoso Alves said to the PT chairman that he had come to the meeting knowing nothing would be accomplished simply because Lula would be present.

Nothing changed the position of the PT and Lula was only willing to accept the possibility of merger when a PMDB representative said that the measure "will be the AI-5 [Institutional Act No 5] of the opposition," the extreme show of strength that it will adopt in view of the "radical" casuistries of electoral reform.

After the meeting, Senator Tancredo Neves felt that "merger is still a possibility and will be a consequence of the government's behavior."

"This was a typical political meeting. We met for 3 hours so as not to come out with absolutely nothing," grumbled former Mayor Olavo Setubal, PP chairman in Sao Paulo, on leaving the OAB building.

Ulysses Guimaraes emphasized: "We did not take up the subject of merger for well-known reasons. The future will tell us what to do. For the present all the parties decided to retain their identity, their individuality, with the understanding that this would not be an obstacle to common action."

Although at the meeting he had accepted merger as a last resort, in statements to the press Lula reaffirmed the intention to consolidate the PT as a political party. "This was a position taken by the party's national executive board and by its affiliates who, in successive meetings, took a position against merger and in favor of organizing the party without giving up its identity."

Coordinated by Senator Tancredo Neves, the meeting was attended by the national party chairmen and the following persons: for the PT, its secretary general, Jaco Bittar, national vice president, Olivio Dutra, and the leader in the Sao Paulo Legislative Assembly, Deputy Marco Aurelio Ribeiro; for the PMDB, the leaders in the Senate and Chamber of Deputies, Senator Marcos Freire and Deputy Odacir Klein, the first national vice president, Senator Teotonio Vilela, federal deputies Roberto Cardoso Alves and Alberto Goldman and the party chairman in Sao Paulo, former Deputy Mario Covas;

for the PTB, the first national vice president, former Governor Gilberto Mestrinho of Amazonas, Deputy Vilela Magalhaes and the leader in the Chamber, Deputy Jorge Cury; and for the PP--which had the largest number of participants--the leaders in the Senate and the Chamber, Senator Evelasio Vieira and Deputy Thales Ramalho, the deputy leader in the Senate, Senator Mendes Canale, the party secretary general, Deputy Miro Teixeira, and the Sao Paulo regional chairman, former Mayor Olavo Setubal.

PP and PT Changed Document

Between the draft made up the night before by a committee composed of Fernando Henrique Cardoso (PMDB), Roberto Gusmao (PP) and Francisco Weffort (PT) and the final text released yesterday, there are substantial alterations, imposed by demands of the PT and the PP.

The original document mentioned the constituent assembly indirectly as a requirement for democracy, but the PT had approved the suggestion that the opposition should give priority to the struggle for a democratic regime. The PP had the expression "unity of action" contained in the draft supplemented by the idea that, if necessary, the opposition would unite in only one party.

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FROST DAMAGE TO AGRICULTURE IN THREE STATES ASSESSED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 21 Jul 81 p 36

[Text] Much of the pastureland and coffee, wheat, beans and garden-vegetable crops in the states of Sao Paulo (western region), Parana and Mato Grosso do Sul was affected by yesterday's frost, causing extensive damage, according to preliminary surveys made by producers. Heavier frost was predicted for this morning, affecting, besides the above states, Mato Grosso, all of Sao Paulo, southern Minas Gerais, western Santa Catarina and western Rio Grande do Sul.

Although without official surveys, the national secretary for production of the Agriculture Ministry, Paulo de Sousa, asserted that the frosts do not represent "the slightest danger to agricultural crops, because the bulk of production is already harvested." He admitted, however, that next year's coffee crop may suffer "some damage" and that "the nation's wheat production may possibly be threatened."

Coffee Crop Suffered Most

Without ruling out the possibility that the recent frost may have administered "a kind of coup de grace" for Parana coffee, that state's agriculture secretary, Eugenio Stefanello, stressed that damage would have been worse except for the fact that the frost was less severe in Parana and Umuarama, the two municipalities that produce nearly 40 percent of the state's coffee.

Managers of cooperatives and coffee growers were constantly telephoning Stefanello, speaking of "catastrophe," "repetition of the 1975 frost" and "the end of coffee growing in northern Parana." Stefanello said that if damage is as great as in 1975 a coffee eradication program will be inevitable, more widespread than in that year, when the state had 915 million coffee trees.

According to the president of the Mandaguari Coffee Growers Cooperative, Oripes Gomes, the region's 50 million coffee trees "are not likely to produce even 20 percent of what had been predicted for next year. All fields were affected." He reported that at 1000 hours yesterday "there was a strong smell of burning. The fields are all chocolate-colored. Even the flower buds that were to come out in September were nipped." Furthermore, in his opinion, no one can afford to "continue in an activity of high risk and low income."

Parana experts say there certainly was an occurrence of the so-called "black frost," similar to that of 1975, nullifying all coffee forecasts for the state.

Meanwhile, the national production secretary of the Agriculture Ministry, Paulo de Souza, declared in Brasilia: "So far we have no problem with the cold weather. There will be no change in current crop forecasts. What has not yet been harvested is in the first stages of harvesting; the cold weather is not interfering in this process."

According to the president of the Coffee Brokers Union of the Santos Trade Association, Persio Tavares de Menezes, not until 4 or more days from now will it be possible to get a true picture of the damage; in the meantime, the news reports are "contradictory."

In Mato Grosso do Sul, reports not yet official disclosed that about 35 million coffee trees were totally or partially destroyed, indicating that losses are nearly as bad as those of the 1975 frost.

In Sao Paulo--according to reports from the affected regions--with rare exceptions, frost damage has not yet been reported. But the FAESP [Sao Paulo State Agricultural Federation] calls attention of farmers in general to the risks they still run, as the danger of further occurrences is not over until at least the beginning of August.

Coffee Regions Will Be Affected

Heavier frost than yesterday's was being predicted for this morning in the coffee-growing regions of Sao Paulo, Parana, Minas Gerais and Mato Grosso do Sul, according to O ESTADO DE SAO PAULO meteorologist Marcio Falcao. The mass of polar continental air is dominating the states of Mato Grosso do Sul, Mato Grosso, Sao Paulo, Parana, southern Minas Gerais and the western regions of Santa Catarina and Rio Grande do Sul, causing temperatures to fall.

According to Falcao, the mass of polar continental air will probably remain for more than 72 hours, dominating much of the nation, "but the critical night is between Monday and Tuesday." After today, although it should continue very cold, any frost will be lighter.

Yesterday's frost in Parana, Mato Grosso do Sul and western Sao Paulo, the specialist said, can be compared to that of 1979, with the detail that in Sao Paulo only the western region had clear skies, which permitted frost to occur. In Parana, where skies were partly cloudy, damages were limited; but in Mato Grosso do Sul, with clear skies, frost was widespread, perhaps comparable to that of 1975.

In Parana 400,000 Hectares of Wheat Are Damaged

Paulo de Souza, national production secretary, admits that wheat production, which has already had its share of problems this year, will be affected by the frost. In Parana, although there is no official survey, the most pessimistic observers believe the state may already have lost 400,000 hectares of wheat.

Eugenio Stefanello, director general of the Agriculture Secretariat, is said to be convinced that the losses this time were significantly greater than those caused by the frost of 18 and 19 June, when Parana lost 130,000 hectares of this crop.

In Parana it was expected that 1.5 million hectares of wheat would be planted but, due to the government's pricing policy--considered inadequate by farmers--only 1.05 million hectares were planted; a harvest of about 1 million tons was expected, but after these frosts it is expected that no more than 700,000 tons will be harvested. In the western region, which extends from Foz do Iguacu to Guaira, including Cascavel, Toledo, Palotina and Marechal Candido Rondon, an extensive reduction of wheat planting has been reported, with hundreds of producers switching to other winter crops, such as rye, barley, oats, rape, lupine and sunflowers.

In northern Parana the wheat fields that were at the stage of sprouting and forming grain were totally ruined. In the Londrina region from 70 percent to 80 percent of the 70,000 hectares planted to wheat were at a stage vulnerable to frost and losses could be total. It will still take 3 days for the crops to dry, according to the Agriculture Secretariat.

In Ivaipora the region is likely to produce 25 percent less than the 53,000 tons of wheat that had been expected, as 75 percent of the 35,000 hectares planted were at the critical stage. In Campo Mourao, where temperatures were 1.4 degrees below zero, Aroldo Galarini, president of the local agriculture and livestock cooperative, said:

"We will not have much of a wheat crop. The area planted this year was already 50 percent less than last year, when we planted 160,000 hectares. This year we had planted 85,000 hectares and of this total 50 percent had been destroyed by frost last month. Now, of the 40,000 hectares left, frost has nipped another 60 percent. Thus, from a crop that was estimated at 112,000 tons before the frosts, we will probably harvest less than 30,000 tons."

In Mato Grosso do Sul, agriculture experts predict that about 30,000 hectares of wheat are lost as a result of the latest frost, as the wheat fields were in the stage of forming grain. And in the Assis region (of Sao Paulo State) agronomist Orson Murebi Jacob estimates that over 30 percent of the wheat planted is already lost.

Beans

In the state of Sao Paulo, the crop that so far has suffered the most from frost is beans. There are complaints of large losses from nearly all municipalities in the western region of the state. Even in those where the frost was less severe there are many reports of losses.

In the Presidente Epitacio region the bean crop grown on about 6,500 alqueires was almost completely lost. The Campinal neighborhood had the greatest damage, with its 5,300 alqueires of crops and a harvest estimated at 100,000 sacks, which would have been an unprecedented occurrence in the municipality's agriculture.

The DDIRA [Regional Agricultural Division] of Presidente Prudente reported that a preliminary survey showed the bean crop was the most affected. The supposition has been confirmed by the Farm Workers Union. According to its secretary, Joao Altino Cremonesi, the bean loss was total. Scores of farmers who waited in line in official and private banks to provide data for PROAGRO [Agriculture and Livestock Activity Support Program], which covers 80 percent of losses, reported the same thing.

In the municipality of Regente Feijo in Alta Sorocabana, bean production will have a loss of 80 to 100 percent. Many farmers who intend to request PROAGRO insurance for total damages came in to the city's agriculture office.

In Bastos and Iacri beans planted in marshlands also sustained substantial losses. There are no firm figures yet, but it is known that a farmer with a large area planted to this crop had 12 alqueires completely damaged because the plants were still less than 30 days old. Older plants will probably survive.

All the bean crop in northern Parana that was at a stage of vegetative development and forming pods was completely destroyed. In the Maringa region, according to Jose Antonio Rosas, head of the local office of the Agriculture Secretariat, 2,700 hectares planted to beans were entirely burned. In the Londrina region, where there were 5,000 hectares of beans planted (representing 50 percent of the state's expected winter production), 70 percent was destroyed and the region is not likely to harvest the 3,000 tons that were expected.

Generally, all crops, including pastureland (one of the most seriously affected), had losses resulting from this latest frost. In Mato Grosso do Sul, for example, sunflowers, a crop that had been replacing wheat, were severely hit, although official data about losses are not yet possible. In this state the greatest loss was in pastureland, which may cause a reduction of 40 percent in the milk supply.

8834
CSO: 3001/218

TERRORIST MOVEMENT REPORTED TO HAVE 'SUBSTANTIAL' FINANCING

San Jose LA NACION in Spanish 11 Jul 81 p 8a

[Text] The recently discovered terrorist movement has received substantial financing to support its operations in Costa Rica, officials of the OIJ [Judicial Investigation Organization] reported yesterday.

They added that one of the documents seized lists the figure of 1 million colons for financing their operations.

To date, the authorities do not know the source of this money. However, it is assumed that most of it comes from abroad.

They emphasized that the group has ties with organizations with similar objectives throughout the rest of Latin America.

These reports were released at a time when the OIJ has intensified its actions against the movement in order to send its top leaders to prison.

It has been established that of the top leaders of the group, three are now in jail. Their names were not released, in order not to hamper the investigation.

The leadership or nucleus of the group also consist of seven other individuals, including two foreigners. Because of the possibility that they may not have left Costa Rica and could be arrested at any time, the authorities are keeping strict silence about their identities.

At the same time, it was explained that in 1975 and 1976 the group tried to bring off a coup d'etat, but failed because of the lack of discipline and disorganization of their members.

It was emphasized that at that time the entire movement was united, and had not split into cells, as it is now.

The OIJ agents said that the group had been "very much affected" by the expulsion of a foreigner who had worked with them. That happened in 1976.

The reporters demanded to know if this person were the Guatemalan, Ruben Anibal Calderon, but this was neither confirmed nor denied.

Calderon, who had connections with the EGP [People's Guerrilla Army] of Guatemala, came to Costa Rica as a refugee.

However, the administrative officials decided to expel him to Panama when his involvement in internal Costa Rican matters was learned. This happened in December 1976.

Nothing more has ever been heard of Calderon.

In the meantime, the OIJ reported that the recently discovered terrorist group has ties with groups such as the EGP.

Number Increasing

It was reported that the number of persons involved in the proceedings arising from the violent actions of 12 June has risen to 23.

The charges involved are crimes against the security of the nation, the public tranquility, public authority, and constitutional order.

On 12 June three patrolmen, one taxi driver, and one terrorist died as a consequence of the events which have through circumstantial evidence been connected with a cell of this movement.

Viviana Gallardo Camacho and Daniel Vega Miranda, both from this cell, were arrested. Vega Miranda is still under arrest, while Gallardo Camacho died after being riddled with bullets by the former civil guard, Jose Manuel Bolanos Quesada in the early morning of 1 July at the first police station.

Yesterday it was revealed that Gallardo had been recruited by the group 2 years earlier, when she was a member of a solidarity committee with Nicaragua.

Bolanos has been sent to the USE [Special Security Unit] at La Reforma.

Several other terrorists are also being held at La Reforma, but isolated in the diagnostic center. The judicial officials said that the prisoners have group dynamics and exercise sessions every day.

"We have lost one battle, but not the war. We will have to redesign our objectives," a number of the terrorists have told the judicial officials, said the OIJ agents.

Investigation circles believe that because of the strong blow struck against the group, it could take several years for them to recover.

This does not mean that we are lowering our guard; efforts to destroy the organization are continuing.

In fact, it was reported yesterday that the judicial organization is intensifying its campaign to arrest the top leaders. One of these leaders is known as "Esteban." It was not confirmed whether or not he is one of the persons now under arrest.

In the evening, the investigators planned new raids and arrests in order to disrupt this organization more effectively. To date, seven safe houses have been found.

The methodical nature of the movement's work was pointed out. In order to obtain arms, it was reported, they attacked armed individuals. They called these attacks "virgiliots."

They also had their own accounting system. It has been learned how part of their financing operated.

They maintained strict control when they rented safe houses or used accessories as "front men." Everything was well documented. They even had a large number of license plates from police cars. All this, along with much other information, is included in the investigation now being conducted.

7679

CSO: 3010/1577

GOVERNMENT ESTABLISHES DUAL FOREIGN EXCHANGE MARKET

San Jose LA NACION in Spanish 12 Jul 81 p 4a

[Text] Yesterday the government established a dual foreign exchange market; this will allow a few products not in common use to be imported with dollars at the official exchange rate of 8.60 colons, while the rest of our foreign purchases must be paid for with currency acquired at the free exchange rate.

The board of directors of the Central Bank made this decision yesterday in order to replace the exchange measures approved by the government council last December. These measures had been ruled unconstitutional by the Supreme Court of Justice.

The Central Bank also recommended to the executive branch that it send a bill to the legislative assembly to change the exchange rate to 15 colons per dollar.

It also established a new system for handling the foreign currency obtained by exporters: 1 percent at an official exchange rate, and the remaining 99 percent at the free exchange rate.

Nonetheless, these percentages may be changed if the needs of the Central Bank so require, in order to meet the demand of the foreign currency market.

The executive was asked to take action immediately so that the unconstitutionality ruling issued by the Supreme Court will not affect treasury collections.

The Dual Market

The products which may be purchased abroad using currency at the official exchange rate are the following: coffee not imported for profit, natural asphalt, ice, whalebone, electrical energy, steam tractors, steam machinery for ships, windmills, mine elevators,

semaphores (not including electrical systems), steam locomotives for railroads, tramways with engines, trams without engines, trolley buses, dirigibles and balloons, and replacement parts for these items.

Furthermore, as part of the new system for handling foreign currency transactions with exporters, the Central Bank will at an appropriate time establish a compensatory free currency system.

The Central Bank directors also approved a system requiring exporters to use the services of the national banking system for handling their foreign sales, with the exception of sales made within Central America, which will continue to be handled through the Central American Compensation Chamber.

It was also stated that "it is implicit that transactions covering the export license issued by the Bank, the sending of documents to the correspondent bank abroad, and the respective payment, must be made by state commercial banks."

The Central Bank's decision adds that "in addition, a provision will be required to the effect that customs will not authorize the export of such merchandise without proof of compliance with this requirement."

Therefore, commercial banks will be properly empowered to handle foreign currency transactions and to inform the Central Bank of such transactions, which will continue to maintain the registry of export licenses and of advance payments, both local and foreign, when they exist.

Devaluation

The Central Bank agreements state that in the bill to be sent to the legislative assembly to devalue the official exchange rate, provisions giving the Central Bank greater flexibility in handling exchange policy should be included.

For that reason, the Bank also proposed that the executive branch send to the legislative assembly a bill to modify article 121, clause 17 of the constitution, in order to empower the Bank to make all decisions concerning the handling of the monetary unit."

It was stated that "the Central Bank will later issue, when the circumstances so require, additional resolutions covering the application of the measures that have been approved at this time."

The International Monetary Fund

The resolutions passed by the Central Bank are not the ones agreed to in the letter of intent sent to the IMF. The IMF officials will be informed of these resolutions for the purposes of the adjustments which may have to be made in the Extended Credit Terms Agreement signed by Costa Rica with the IMF.

The second vice president and minister of the economy, Jose Miguel Alfaro, yesterday sent a letter to Jacques de Larosiere, the managing director of the IMF, reporting the Supreme Court ruling, which held the exchange measures passed last December to be unconstitutional.

The letter states that this ruling against the float system for the colon, which was agreed to in the letter of intent with the IMF, requires the introduction of changes in that document.

Exporters

About 100 businessmen, most of whom are exporters, met at noon yesterday in the presidential mansion, where they had been invited.

The minister of energy and mines, Fernando Altmann Ortiz, gave an introduction and later made a commitment to them that their sales abroad will continue to be settled at the market exchange rates (over 18 colons per dollar).

The government announced last Thursday when the Supreme Court ruling was issued that the present exchange system will be maintained, and the Central Bank will make the necessary legal changes.

One of the exporters said that the government officials offered no details about the way in which the present value of the colon in relation to the dollar will be maintained, as the Court ruling has not yet been analyzed.

According to the magistrates, the official value of the colon is 8.60 and it can not be changed without a legislative resolution.

The government is preparing to establish a system in which the vast majority of exports and imports will be handled at market exchange rates, which will be covered by article 96 of the Central Bank's organic law, which empowers it to adopt this measure.

7679

CSO: 3010/1577

HAVANA COMMENTS ON CANCUN SUMMIT

PA070435 Havana International Service in Spanish 0000 GMT 7 Aug 81

[Text] U.S. black Senator Mickey Leland said it was a historic mistake to have excluded Cuba from the North-South meeting to take place in October this year in Cancun, Mexico. He added that whether they like it or not, Fidel Castro is one of the main representatives of the Third World. Leland said that U.S. President Ronald Reagan's request that Fidel Castro, president of the Councils of State and Ministers and of the nonaligned countries movement, not be invited to the Cancun meeting, shows little understanding of world affairs and that therefore such a request is stupid.

The Texas state senator said that Fidel Castro is a means of access to several Latin American countries and particularly, to many African nations. The Cancun meeting will have a terrible shortcoming and a real void because of Castro's absence.

Leland added that the Cuban leader was the spokesman for the nonaligned countries at the United Nations in 1979 and that on that occasion Castro strongly advocated the creation of a new international economic order, which is precisely the purpose of the Cancun meeting.

Leland said that the United States ought to give up the idea of trying to isolate Cuba. He also disapproved of the blockade that for the past 20 years the United States has maintained against Cuba.

Finally, Leland said that it is important that they know in Mexico that there are many U.S. congressmen who are willing to talk to the Cuban Government, in spite of Reagan and the majority of conservative legislators in the Senate.

CSO: 3010/1667

HAVANA REVIEWS PRESS REACTION TO CASTRO VISIT

PA091520 Havana International Service 0000 GMT 9 Aug 81

[Text] Mexico's news media today continued reporting on the 2-day visit made to that country by Fidel Castro, president of the Cuban Councils of State and Ministers.

The daily EXCELSIOR states in a main editorial that relations between Mexico and Cuba are highly satisfactory and notes that the recent meeting between Fidel Castro and Jose Lopez Portillo will enhance the mutual understanding that exists between the two countries.

The newspaper UNO MAS UNO states that the meeting held by the two statesmen on the Mexican island of Cozumel was friendly and fraternal.

EL DIA has noted that the meeting is evidence of the undiminishable will of solidarity of the two countries, a will that has historic, geographic, political and economic reasons. EL DIA commented that this is the type of relationship that should exist among all the Latin American countries.

EL PERIODICO, a morning newspaper that began circulating recently, has outlined the historic ties that unite the two countries and peoples as well as the support that Mexico has always given the Cuban revolution.

EL UNIVERSAL, EL SOL DE MEXICO and EL NACIONAL have filed similar commentaries.

In the GDR, the radio and television media reported on Fidel Castro's visit to Mexico and on the talks that the Cuban president and Jose Lopez Portillo, Mexico's president, held for 2 days.

BARRICADA, a Nicaraguan daily, has stated that the third meeting between the two statesmen took place at a moment when the forces of imperialism are increasing their campaign of threats and blackmail against the people of the world.

CSO: 3010/1167

NICARAGUAN-COLOMBIAN DISPUTE OVER CAYS EXAMINED

PA091415 Havana International Service in Spanish 2310 GMT 8 Aug 81

["Our America" commentary]

[Text] On several occasions during its history as an officially independent nation, Nicaragua was occupied by the Yankee marines. Each U.S. intervention generally led to the imposition of onerous treaties which harmed the sovereignty, territorial integrity and dignity of that Central American nation.

For example, in 1928 when Nicaragua was occupied by the United States for the third time, the oligarchic government had to sign a treaty that granted to Colombia and the United States shared jurisdiction over the Roncador, Serrana and Quitasueno Cays located on Nicaragua's continental shelf.

Through another treaty signed in 1972 and known as the Saccio-Vasquez-Carrizosa Treaty, the United States relinquished its rights over those cays which thus passed to Colombian sovereignty. However, to enter into force, the treaty had to be ratified by the U.S. Senate where it was shelved for many years.

Despite the just protest of Nicaragua which for the first time in its history is now truly free and independent, the current U.S. administration brought out the document and rushed through its ratification by the Senate in an act of genuine hostility toward Sandino's fatherland, favoring Colombia whose rulers have become completely subordinate to imperialism's policy against the peoples of our America.

U.S. hostility toward the new Nicaragua began with the victory of the revolution on 19 July 1979. However, it has rapidly increased with Ronald Reagan's inauguration in January. Right away, the delivery of \$15 million left from a \$75 million loan granted during the Carter administration was suspended. Later, a loan by which Nicaragua was going to purchase wheat and cooking oil in the U.S. market was cancelled. In June, all U.S. financial aid to Nicaragua was cut off.

With Reagan in the White House, there has also been an increase of Washington's pressures to try to prevent U.S. sectors and other countries from signing trade and financial agreements with Nicaragua. In addition to trying to strangle Nicaragua economically and to defeat its revolutionary leaders and people through hunger, however, the United States also is resorting to military aggression by

permitting the training on U.S. territory of thousands of former Somozist guardsmen for an invasion of Nicaragua and by helping with weapons and advisors in the training of more Nicaraguan counterrevolutionaries in the Honduran border region.

After stressing that Nicaragua will not stop the defense of its sovereignty and territorial integrity, documents issued by the Nicaraguan Foreign Ministry and State Council charged that the ratification of the Saccio-Vasquez-Carrizosa Treaty is a new act of aggression by the United States which seeks to revive pages of a history filled with interventions based on force as the Nicaraguan people know well. With its usual arrogance and disregard for other nations, the United States has ceded to Colombia territories that don't belong to it and has violated universally accepted principles of international law which guarantee to the riparian states sovereignty over their continental shelf.

We firmly believe, a resolution of the State Council states, that Nicaragua and Colombia are the only ones which must solve the dispute over the Roncador, Serrana and Quitasueno Cays, without the pressures or actions of third countries which seek to separate two sister countries for reasons that are not in line with the common interests of the peoples of our America.

CSO: 3010/1667

DELAYS CONTINUE IN HOUSEHOLD APPLIANCE REPAIRS

Havana MUJERES in Spanish Jun 81 pp 68-69

[Article by Daisy Martin]

[Text] No doubt at one time or another, particularly during the summer months, you have passed by VOSTOK I on Calle San Lazaro and seen a large number of people waiting to turn in or pick up an electrical appliance.

Aware that there is a very strong public demand for small appliance service, we visited the unit several times in order to learn the impressions of some of its customers about the services offered there and the difficulties involved in obtaining them.

Here are some of their opinions:

"It's been 3 months since I turned in my fan, and it's still not here."

"I've come several times to pick up my electric mixer. They say that the motor winding is no good and that I have to wait. I don't understand it."

"It's been more than 3 months since I ordered a seal for the lid of my pressure cooker. They say there aren't any."

"There's a delay of up to 3 months to fix a fan."

"I've been waiting a month for them to get solder so that they can fix my iron."

Later we talked about these problems with Ramon Garcia, the administrator, and Elio German Ortega, the unit production chief. They responded good-naturedly to our questions, which were based on the most critical situations that we had observed.

Why are there so many people at some times and not at others?

Ortega, after indicating that the months of highest demand are May through September, added: "This is due to summer. In hot weather, some appliances, like fans and mixers, get more use, so they break down more frequently. We've definitely had some problems with delivery, particularly during the months of highest demand."

In most cases this has been due to the windings of the electric motors. We don't have a workshop for doing windings, so we have to send them to another unit, which is sometimes a little slow. This often prevents us from returning appliances to our customers at the time promised."

"We realize that it annoys people when they come to pick up an appliance and are told that it isn't here. When this happens, we try to explain the reason for the delay, but not everyone understands. Many people simply vent their anger outside and go away mad," says Ortega.

Is this the basic reason for the delayed deliveries?

"Yes," put in Garcia, the administrator. "In many cases that is one of the causes. But such delays can also occur even when the appliance is in our own shop. It may be that the delay is caused by the absence of a certain mechanic, or by power outages. Last year, 1980, power outages had a very adverse effect. There were whole days when scarcely an hour's work could be done. This naturally delays the delivery date. It also has an adverse effect on the workers' wages, since the mechanics are in the linkage program. When stoppages occur, we send them home with half a day's wages.

"We have adjusted the repair and delivery schedule in accordance with the actual capacity of the shop, but we aren't always able to stay on schedule for reasons that I have already explained.

"In addition to normal service, we maintain an emergency service, but we aren't always able to perform it since we sometimes lack the necessary parts," pointed out the production manager.

"Right now, for example, it has been several weeks since we've had any seals for pressure cooker lids. So the customer has to come back or call in order to find out if we've received them yet.

"The greatest obstacle to providing quicker service is the summer rush to fix fans and mixers. There are people who have appliances that have been broken for months, but when it gets really hot they bring them in and expect us to have them back in a week. We wonder why they don't send them in before the summer arrives. That way they would avoid the lines and the delay at the shop, which is overburdened during those months."

What about the actual capacity of the shop and skilled labor?

"For 2 or 3 months we had trouble getting skilled help, but we didn't let a crisis develop. The Enterprise, working with the province, immediately offered a course to train a group of young people. Nearly 30 young men and women applied. Those with the best qualifications for this kind of work were chosen to take the 3-month course. Some of them are already at work and doing very well," added Ortega.

"All together there are 39 of us, including administrative personnel. There are 16 women, of whom five work right in the repair shop as technicians.

"We have two receptionists, one to deliver and the other to receive appliances, at separate counters. This makes our work easier, and makes things more convenient for the public. There are generally no problems with the receptionists. Only once in a long time have we had to discipline someone for mistreating the public; we suspended her for a month.

"Our personnel are trained always to give an adequate answer to people who come in to the unit. We are all willing to deal with any complaint. But sometimes customers don't come to us; they go directly to the Enterprise instead, thinking that their problems will be resolved there. They are mistaken; not only is it our duty to resolve their problems, we really are the ones who know whether or not we have the necessary part to fix their appliance. This happens frequently, and we don't understand it," said Garcia.

What are the greatest difficulties in your work?

"The shortage of certain parts, motor windings, and lack of certain products, like acetylene, for example, which we have not received for 2 months, and which is necessary for welding.

"We also sometimes have problems because of lack of transport. The Enterprise has only two very old trucks at its disposal. They cannot always provide the best service to the units, like transfer and pick-up of motors to and from the other shop. None of this is an excuse, but we need for the public to understand that sometimes carrying out a delivery does not depend on us alone."

Garcia added: "Right now we're getting a lot of rewound motors that we can't install because they haven't been done correctly. We have to turn around and send them back to the shop. This doubles the time the customer has to wait. Sometimes there is a high demand for parts, while we receive only a small number. In such cases we can only repair what we already have in the shop little by little."

Do customers pick up their repaired appliances right away, or do they leave them in the shop for a long time?

"That's another factor that hurts us," said Garcia. "As you have seen, the warehouse is small and it's practically full. At the end of November, we had 5,559 repaired appliances with a value of 20,800 pesos. Time, wages and parts have been invested in them. Moreover, lack of use is causing them to deteriorate. Some have been in the warehouse for as long as 4 years.

"What have we done to solve this problem? We have adopted several measures, but none of them has worked. We have sent as many as four notices to each owner, telling them that their appliance is ready, how much the repair cost, and that the time to pick up the appliance has expired. And we didn't receive as much as a reply. The Enterprise is already aware of this, and we hope that they will find a solution. The situation is getting worse because the warehouse is almost full."

What kinds of appliance are repaired at this unit?

"Fans, mixers, irons, pressure cookers, electric cookers and electric razors. We service 7,000 or 8,000 appliances a month. We wait on about 100 people a day

through our immediate repair system. In 1980 we carried out a repair program with a value of 288,300 pesos, and we serviced 85,000 appliances, in spite of all the problems we have to contend with. In 1981 we plan to improve our services because we are aware of how much the public needs them."

With that we leave the VOSTOK I shop, confident that this commitment will be fulfilled. Now it only remains for the obstacles to that fulfillment to be removed, because the fact is this: Those most hurt by this situation are the working public, who need better repair service for the domestic appliances that are so necessary in the home.

8926
CSO: 3010/1645

BRIEFS

WORLD CONGRESS MEETING--Nagasaki, Japan--Cuba has urged all peace-loving forces to redouble efforts to stop the arms race and to demand that the huge sums used for military investments be allocated for the development, prosperity and happiness of humanity. Warmongering, interventionism and the great atomic and conventional arsenals work against peace, but so do hunger, misery, exploitation, discrimination and injustice, which daily take thousands of lives, particularly in underdeveloped countries, Cuban delegate Orestes Quintana said to the 1981 World Congress against atomic and hydrogen bombs. [Text] [FL101502 Havana Domestic Service in Spanish 1400 GMT 10 Aug 81]

FAR PERSONNEL HONORED--A week of tribute to junior officers, sergeants, enlisted men, civilian workers and other persons who have obtained "vanguard" status within the Revolutionary Armed Forces [FAR] in the 1980-81 period began with a political-cultural ceremony on the evening of 10 August at FAR headquarters in Havana. Keynote speaker at the event was Col Jose Palacios, director of the Gen Antonio Maceo Interservice School. [FL111556 Havana Domestic Service in Spanish 1400 GMT 11 Aug 81]

ECUADOREAN INDEPENDENCE CELEBRATED--A ceremony to mark the 172d anniversary of the independence of Ecuador was held on the evening of 10 August at the headquarters of the Cuban Institute of Friendship with the Peoples [ICAP]. The ceremony was attended by Rene Rodriguez, member of the PCC Central Committee and president of ICAP, and Ricardo Alarcon, alternate member of the Central Committee and vice minister of foreign relations. Francisco Proano, charge d'affaires at the Ecuadorean mission in Cuba, expressed appreciation of this show of solidarity and noted ICAP's efforts to consolidate friendship between the two peoples. [FL111556 Havana Domestic Service in Spanish 1400 GMT 11 Aug 81]

MATANZAS CDR MEETING--The meeting to evaluate the Committees for the Defense of the Revolution [CDR] in Matanzas Province has been chaired by Armando Acosta Cordero, alternate member of the PCC Politburo and national coordinator of the CDR. The main report was read by the provincial coordinator, Silvano Garcia, who was later reelected to his post. [FL110135 Havana Domestic Television Service in Spanish 0000 GMT 11 Aug 81]

ILLUSTRATOR'S DEMISE--Illustrator Juan David de Posada was buried yesterday at the Colon cemetery. In attendance were Raul Roa, acting president of the National Assembly of the people's government, and Nicolas Guillen, both members of the

PCC Central Committee. Culture Minister Armando Hart and Carlos Rafael Rodriguez, both members of the PCC Politburo, sent wreaths to pay tribute to the deceased revolutionary. [FL110135 Havana Domestic Service in Spanish 1400 GMT 10 Aug 81]

SUGAR WORKERS DAY--The national ceremony to mark Sugar Worker's Day was held at the Batalla de Guisa Polytechnic Institute in Rio Cauto Municipality, Granma Province, with the participation of 250 outstanding sugar workers. The ceremony was presided over by Luis Martell Rosas, secretary general of the Sugar Workers Trade Union, and by Andres Caraballosa Pena, secretary general of the Central Organization of Cuban Trade Unions in Granma. [FL071800 Havana Domestic Service in Spanish 1000 GMT 7 Aug 81]

BARBadian AWARD TO GUILLEN--Armando Hart, member of the PCC Politburo and minister of culture, has delivered to Nicolas Guillen, a Cuban poet, a plaque signed by the Barbadian Government and people to mark Carifesta 1981. Guillen was among six persons selected as being representatives of Caribbean culture. [FL071800 Havana Domestic Television Service in Spanish 1700 GMT 7 Aug 81]

PANAMANIAN BOOK OF CONDOLENCE SIGNED--At 1530 GMT today, Jose Raul Viera, acting minister of foreign relations, signed the book of condolence opened at the Panamanian Embassy in Cuba to mark the death of Gen Omar Torrijos Herrera, commander-in-chief of the National Guard of that brother country. The acting foreign minister was accompanied by vice ministers and other high-ranking Foreign Ministry officials. [Text] [FL051921 Havana Domestic Service in Spanish 1809 GMT 5 Aug 81] Commander in Chief Fidel Castro, first party secretary and president of the Councils of State and Ministers, has signed the condolence book opened at the Panamanian Embassy on the death of Gen Omar Torrijos Herrera. After conveying his condolences to Panamanian Ambassador Miguel Angel Picard Ami, with whom he examined an exhibit of photographs of the unforgettable leader of the Panamanian people, Fidel wrote on the book: With deepest sorrow and the affection of a brother. Also visiting the Panamanian Embassy in the course of the day were Pedro Miret, Jorge Risquet and Julio Camacho Aguilera, members of the Party Politburo, as well as a representation of the Revolutionary Armed Forces [FAR] headed by Div Gen Senen Casas Regueiro, alternate member of the Party Politburo and chief of staff of the FAR. [Text] [FL071116 Havana Domestic Service in Spanish 1034 GMT 7 Aug 81] PCC Politburo member Pedro Miret signed this afternoon at 1820 GMT the book of condolences opened at the Panamanian Embassy in Cuba on the occasion of the death of Gen Omar Torrijos, commander in chief of that fraternal country's National Guard. Also signing the book of condolences this afternoon were PCC Central Committee members Nicolas Guillen, president of the National Union of Cuban Writers and Artists, and Wilfredo Torres, president of Cuba's Academy of Sciences. Others visiting the Panamanian Embassy were several members of the diplomatic corps accredited to Cuba. Ramon Cienfuegos and Emilia Gorriaran, parents of Commdr Camilo Cienfuegos, signed the book at 1810 GMT today. [Text] [FL062113 Havana Domestic Service in Spanish 2002 GMT 6 Aug 81]

U.S. MANEUVERS IN CARIBBEAN--The provocative Ocean Venture 81 war maneuvers in the Caribbean organized by the United States have begun with an air-sea invasion of the Puerto Rican island of Vieques. The U.S. maneuver in Vieques took into account the geographic, military and political characteristics of an island similar to Grenada which in U.S. high command plans appears under the designation (Anders). The commander of the U.S. contingency forces for the Caribbean, Rear Adm Robert McKenzie, said that U.S. marines will simulate an attack this week on Guantanamo Naval Base during the ocean venture exercises. The Yankee maneuvers will conclude in the Caribbean on 20 August. [Text] [FL102335 Havana Domestic Service in Spanish 2300 GMT 10 Aug 81]

POLICE DISCOVER CLANDESTINE WEAPONS FACTORY

San Salvador LA PRENSA GRAFICA in Spanish 14 Jul 81 pp 4, 40

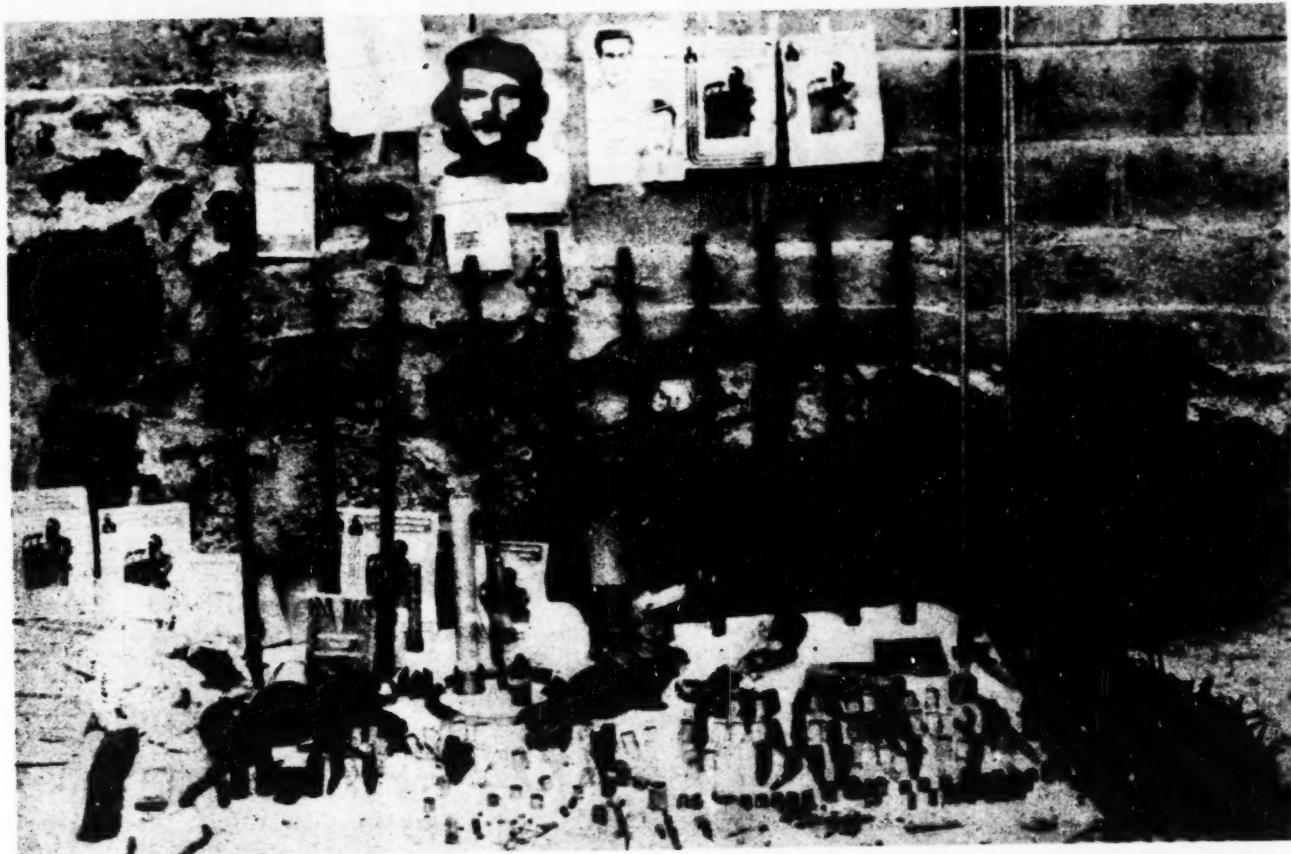
[Text] The national police yesterday reported the discovery and dismantling of another clandestine weapons factory which was operating in the San Jacinto area. It was used for making arms for subversion. Six persons who were working there were arrested.

The police source said that the police command, upon receiving information from a private person, who doesnot support the use of violence, sent police agents to investigate the end of the Calle Ramon Belloso, in the Manjivar colonia of the San Jacinto area of the capital city. The building there had a facade like a corn mill. But inside the police found a clandestine factory which housed a subversive cell that manufactured mortars, bazookas, grenades, bomb fuses, nipples, mining funnels, iron spikes used for sabotaging vehicular traffic, 45-caliber munition, batteries for detonating fragmentation bombs, black powder, barbed wire, and explosive caps.

In the same place the police confiscated a variety of communist propaganda on a number of topics. Some of the titles are: Central Report for the First Congress of the Communist Party of Cuba; Latin America Seen by Soviet Scientists; Marx and the Labor Unions; Latin America is living in a Period of Revolution; Instructions for the Union Movement in El Salvador, and others.

During the search the police agents arrested the following persons: Jose Luis Hernandez Sarmiento, Hermes Cesar Pena Hernandez, Jose Sergio Quintanilla Perez, Jesus Ochoa Reyes, Jose Armando Ramirez, and Estebana Hernandez de Castro. The six were "caught in the act" while making a number of items.

The first person listed, Hernandez Sarmiento, who identified himself as the owner of the house, said he had received intensive training in Cuba in manufacturing arms and explosives, along with the "miguelitos" or iron spikes used to puncture automobile tires.



Clandestine factory. The national police discovered and dismantled another clandestine mechanical factory in the Calle Ramon Belloso, Colonia Menjivar of the San Jacinto area. There they confiscated bazookas, mines, parts of a mortar, munition, and iron spikes used for puncturing tires of vehicles, along with communist literature. Six people who were working and living there were also arrested, reported the security force.

He said that everything manufactured there was used by subversive organizations. The other persons arrested were part of the cell headed by Hernandez Sarmiento. All will be taken by the police to the appropriate military tribunal for processing.

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COUNTRY SECTION

MEXICO

BRIEFS

FRENCH AGRICULTURE MINISTER TO VISIT--Mexico City, 11 Aug (NOTIMEX)--An important French delegation headed by Agriculture Minister Edith Cresson will arrive here next 23 August. In making the announcement, the French Embassy in Mexico added that Minister Cresson will remain here 4 days during which she will attend the inauguration of the Agro-Mexico 8 Exposition. It was also reported that she will conduct numerous talks on bilateral issues. "The presence of Minister Cresson in Mexico demonstrates the interest and confidence that France attributes to Mexico's agroindustrial development," Gabriel Mergui, French Embassy commercial attaché for agricultural affairs, has stated. The official added that there is great interest in the participation of 140 French enterprises in such operations, in accordance with a protocol signed with Mexico in that field. The French minister will also conduct talks with her Mexican counterpart, Secretary of Agriculture and Hydraulic Resources Francisco Merino Rabago, Secretary of Agrarian Reform Gustavo Carvajal Moreno and Edmundo Flores, director of the National Council for Science and Technology. [Text] [FL121121 Mexico City NOTIMEX in Spanish 0545 GMT 12 Aug 81]

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